

## **COUNTY OF SAN BERNARDINO**

The County of San Bernardino's 2009-10 Proposed Budget covers the period from July 1, 2009 – June 30, 2010. The budget consisting of the general fund, restricted financing funds, capital project funds, special revenue funds, and enterprise funds has a total appropriation of \$3.5 billion. Each department is responsible for operating within their budget and has the authority to spend up to the approved budget.

When developing their individual budgets, each department considers the following mission, vision, and value statements of the County of San Bernardino:

### **Mission Statement**

The mission of the government of the County of San Bernardino is to satisfy its customers by providing service that promotes the **health, safety, well-being, and quality of life** of its residents according to the County Charter, general laws, and the will of the people it serves.

### **Vision Statement**

Our vision is to create a safe, clean, and healthy environment that appeals to families and individuals, and attracts the best in business and industry. We will create, support, and enhance vibrant communities that emphasize beauty, culture, art, recreation, education, and a sense of history.

### **VALUES Statement**

To achieve our Vision, we dedicate ourselves to these values:

- **Valuing** our workforce by providing recognition, training and education, opportunities for customer service and career development, a safe and healthy work environment and fair compensation.
- **Appreciation** and promotion of the diverse cultures that comprise our workforce and the communities we serve.
- **Leadership** by coordinating regional planning through collaboration with local communities and businesses.
- **Unquestioned integrity** that embraces a culture of honor and trustworthiness.
- **Excellence** in the development of efficient and cost-effective strategies to improve customer service in an atmosphere that allows and encourages new ideas.
- **Service** of the highest quality to our customers delivered with dignity and respect.

The County of San Bernardino's annual budget process starts with the development of the Annual Report and Business Plan document. The Annual Report and Business Plan document is the instrument used by the County to tie departmental budgets to departmental goals, objectives, and performance measures. This proposed budget book is the product of the annual budget process. While this proposed budget book includes departmental strategic goals and performance measures, which demonstrate how department's meet their overall departmental mission as well as the global mission of the County, it does not list the departmental objectives contained in the Annual Report and Business Plan document. Therefore, the following two pages provide a high-level overview of County departments. For those departments offering primary services, a single goal and objective has been listed that best highlights the County's global mission statement.



## **COUNTYWIDE SERVICES**

The services provided by the county are arranged into categories in accordance with the County Mission Statement. Therefore, the public services provided are categorized by health, safety, well-being, and quality of life services. In addition, the county's fiscal services provide public support. The categories of leadership and support services are essential to the administration of county government.

### **PUBLIC SERVICES**

#### **Health Services**

- Arrowhead Regional Medical Center
- Behavioral Health
- Public Health

#### **Safety Services**

- County Fire
- District Attorney
- Law and Justice Group Administration
- Probation
- Public Defender
- Sheriff-Coroner

#### **Well-Being Services**

- Aging and Adult Services/Public Guardian
- Agriculture/Weights and Measures
- Child Support Services
- Human Services Administration
  - Transitional Assistance
  - Children and Family Services
- Land Use Services
- Public Works
- Registrar of Voters
- Special Districts
- Veterans Affairs

#### **Quality of Life Services**

- Airports
- Community Development and Housing
- Economic Development
- County Library
- County Museum
- Preschool Services
- Redevelopment Agency
- Regional Parks
- Workforce Development

#### **Fiscal Services**

- Assessor
- Auditor/Controller-Recorder
- Treasurer-Tax Collector/Public Administrator

### **ADMINISTRATIVE SERVICE**

#### **Leadership**

- Board of Supervisors
- County Administrative Office

#### **Support Services**

- Architecture and Engineering
- Capital Improvement Program
- Clerk of the Board
- County Counsel
- Facilities Management
- Fleet Management
- Human Resources
- Information Services
- Purchasing
- Real Estate Services
- Risk Management



## SYNOPSIS OF SAN BERNARDINO COUNTY GOALS AND OBJECTIVES

SERVICES	GOALS	OBJECTIVES
<b>HEALTH:</b>		
Arrowhead Regional Medical Center	Increase selected medical center volumes.	Initiate radiation therapy through Linear Accelerator Services, with an estimated 2,500 treatments for 2009-10.
Behavioral Health	Increase access to behavioral health services for individuals that are underserved or who are receiving a limited level of services.	Continue to implement community-based behavioral health care and treatment programs that serve as alternatives to more restrictive levels of care
Public Health	Prevent disease and disability, and promote healthy lifestyles.	Decrease the number of babies born with exposure to drugs and/or alcohol due to their mother's substance abuse during pregnancy.
<b>SAFETY:</b>		
District Attorney	Promote public safety by punishing criminal conduct.	Continue to promptly, effectively, and ethically prosecute criminal offenses.
Law and Justice Group Administration	Reduce the negative effects of gang-related crimes on the citizens of the county.	Implement the Strategic Plan on Gangs to reduce gang activity.
Probation	Ensure treatment and supervision levels are based on criminogenic risk factors.	Assess new juvenile and adult probationers to determine expected risk of recidivating.
Public Defender	Reduce backlog of old cases.	Increase early resolution of cases, thus minimizing custody time and costs.
Sheriff-Coroner	Enhance response capabilities to disasters and other emergencies.	Improve communication capabilities during critical incidents.
<b>WELL BEING:</b>		
Aging & Adult Services/Public Guardian	Ensure the safety of at-risk adults and the elderly to improve or maintain quality of life.	Respond to emergency Adult Protective Services (APS) referrals within state mandated time frames.
Agriculture/Weights and Measures	Protect the public's health and the environment by preventing foreign pest infestations and the misuse of pesticides in light of increases in county population.	Inspect all common land and airfreight carriers receiving shipments of plant material for compliance with quarantines and freedom from foreign pests that arrive in the county.
Child Support Services	Improve service delivery to provide timely, effective, and professional service.	Ensure that the new automated system supports the delivery of quality services by evaluating and restructuring current business practices.
Human Services Administration: <i>Transitional Assistance</i>	Increase the work participation rate of recipients of CalWORKs benefits.	Increase the number of Welfare-to-Work mandatory CalWORKs participants who are engaged in a Federal Welfare-to-Work activity.
<i>Children's Services</i>	Reduce the number of children who enter foster care each year.	Continue implementation of Family-to-Family and other practices that reduce the number of children who must enter foster care.
Land Use Services	Code Enforcement - increase number of initial inspections performed from the date of receiving complaint.	Perform initial inspections within one week of receiving the complaint.
Public Works	Maintain the level of safety and maintenance for county maintained roads.	Maintain county roads at the average Pavement Condition Index (PCI) of 70 or greater.
Registrar of Voters	Increase voter participation in the electoral process.	Continue to analyze the effectiveness of off-site early voting at various locations.
Special Districts	Increase staff proficiency to promote health and safety and program enhancements for all districts.	Provide for key staff to receive emergency preparedness training.
Veterans Affairs	Emphasize higher standards of customer service.	Review customer service policy to ensure full commitment to customers.
<b>QUALITY OF LIFE:</b>		
Airports	Improve airport infrastructure.	Develop specific studies and plans to identify necessary infrastructure improvements, such as storm water drainage, fire suppression, sewer, etc.
Community Development and Housing	Expand the supply of quality, safe, sanitary, and affordable housing for residents of San Bernardino County.	Increase the availability of low, moderate, and middle income housing.
Economic Development	To foster job creation, increase private investment and enhance county revenues through the attraction and expansion of business.	Assist in keeping existing businesses progressive and profitable and allowing companies the opportunity to grow within our community.
County Library	Enhance computer and electronic resources for the public.	Increase the number of computers available to the public.
County Museum	Improve customer service by enhancing public awareness of museum services and programs.	Increase school group visitations and outreach programs to schools.
Preschool Services	Achieve school readiness of enrolled children to ensure progress toward positive outcomes.	Teachers will share child assessment information with parents and use this input to prepare home and classroom activities responsive to children's individual needs.
Regional Parks	Provide for the safety and maintenance of the County Trails System.	Provide prompt response to all safety and maintenance issues pertaining to the trail system.
Workforce Development	Increase employability of county residents through services provided.	Increase number of county residents served by 5%.



## **FINANCIAL PLANNING CALENDAR**

### **Ongoing**

The Board of Supervisors provides ongoing policy direction to the County Administrative Officer.

Departments provide monthly budget to actual estimates to the County Administrative Office.

### **October through December**

Annual Report and Business Plans – Department-wide Annual Report and Business Plans are developed and serve as a guideline to lead the County in preparing the upcoming budget. The Annual Report and Business Plan is a comprehensive and systematic management tool designed to help each department assess the current environment, anticipate and respond appropriately to changes in the environment, envision the future, increase effectiveness, develop commitment to the department's mission, and achieve consensus on goals and objectives for achieving that mission. The Annual Report and Business Plan supports the annual budget plan by illustrating how a department's budget and available resources can be tied to goals and objectives, and is used to track, monitor, and evaluate departmental progress by establishing timelines and milestones, and comparing projections to actual accomplishments.

Capital Improvement Plan – Departments submit annual capital improvement requests for improvements to land or structures that exceed \$5,000. These requests include a project description and justification, financial impact, and funding source. The requests are evaluated and prioritized by the County Administrative Office and presented to the Board of Supervisors for comments and recommendations. In addition, departmental five-year capital improvement plans are updated to re-evaluate priorities based on changing circumstances, staffing levels, and available funding.

Fee and Internal Service Rate Development – Departments develop their proposed fee changes and internal service rate adjustments for the upcoming budget year and submit them to the County Administrative Office for review and recommendation to the Board of Supervisors.

### **January and February**

Five-year Financial Plan – The County Administrative Office develops a five-year forecast of financial operations for general fund programs, projecting major revenues and expenditures, based on current service levels and expected future changes to those programs or service levels. The analysis includes the identification of trends, significant impacts, and recommendations, which are reported to the Board of Supervisors.

Business Plan Workshop – Department Heads, County Administrative Office staff, and the Board of Supervisors meet to discuss and review the Business Plans. These plans include departmental requests for additional general fund financing for which the Board of Supervisors provides input and direction to staff.

Budget Prep System – The in-house budget system is updated for changes in the various Memorandums of Understanding between the County and the various employee representation units.



**March and April**

**Budget Prep System** – The system is opened up for departmental input into preparation of the budget submittal and internal training is conducted for all users of the system.

**Internal Service Rates** – The rates charged by departments for services provided to other departments are brought before the Board of Supervisors for approval. In addition to rates for internal service funds, rates for services provided by general fund departments, such as Facilities Management, Human Resources, and Architecture and Engineering are also approved.

**Fee Hearing** – The Board of Supervisors conducts a public hearing on the Proposed Fee changes. Approved fee changes are included in the Proposed Budget submittals to the Board of Supervisors.

**Financial Plan** – The upcoming budget year financing plan is developed based on revenue projections and estimates for cost increases of ongoing costs. This plan includes the allocation of general fund financing (local cost) and provides estimates from remaining funding available to meet unmet needs of the County.

**Preparation of Proposed Budget** – Departments develop their respective proposed budgets and submit them to the County Administrative Office for review and recommendation to the Board of Supervisors. General fund departments must budget within their respective local cost allocations given to them based on the financing plan.

**May and June**

**Submission of Proposed Budget** – The Proposed Budget Book is finalized and presented to the Board of Supervisors. The County Administrative Office publishes notices and schedules public hearings to discuss the proposed budget.

**Budget Hearing** – The Board of Supervisors conducts a public hearing on the Proposed Budget. At this time, the Board may modify the Proposed Budget.

**Adoption of Final Budget** – All Board approved changes are incorporated into the Final Budget.

**July through September**

**Budget Prep System** – The County Administrative Office makes final budget changes to the Budget Prep System for items approved by the Board of Supervisors, including final fund balance adjustments.

**Preparation of Final Budget Book** – The County Administrative Office updates the Proposed Budget Book for final changes.

Calendar for the 2009-10 Budget

October 20, 2008	Business Plan Instructions to Departments
October 20, 2008	Capital Improvement Call Letter to Departments
November 6, 2008	Fee Instructions to Departments
November 26, 2008	Departments Submit Business Plans to Budget Office
November 26, 2008	Departments Submit Capital Improvement Requests to Budget Office
December 19, 2008	Departments Submit Fee Workbooks to the Budget Office
February 10 and 24, 2009	2009-10 Business Plan Workshop
March 13, 2009	Budget Preparation System opened for Departmental Input
March 13, 2009	Budget Preparation System Training
March 16, 2009	Budget Instructions to Departments
March 24, 2009	2009-10 Internal Service Rates Approved
March 24, 2009	Fee Hearing
April 7, 2009	Board of Supervisors Approval of Targets/Financial Plan and Strategic Objectives
April 7, 2009	Departments Submit Budget Workbooks to the Budget Office
May 20, 2009	Proposed Budget Delivered to the Board of Supervisors
June 16, 2009	Budget Hearing
June 23, 2009	Adoption of 2009-10 Final Budget
September 2009	Final Budget Book Printed



## Annual Report and Business Plan

In January, the Board of Supervisors received the County's Annual Report and Business Plan. The Annual Report provides an overview of the County, including countywide facts and figures, quick facts by department, and a review of the county's highlights for the prior calendar year. Significant events, the County's outstanding employees, and national awards are accentuated. The Business Plan document is the starting point for San Bernardino County's budget process and it is intended to support the annual budget plan by tying the budget to the department's goals, objectives, and performance measures necessary to meet the overall mission of the department. The Annual Report and Business Plan is used to help track, monitor, and evaluate the progress by establishing timelines and milestones, where each department can monitor their progress and compare their projections to actual accomplishments.

Business Plan Workshops were held February 10 and 24, 2009. These workshops provided the Board of Supervisors the opportunity to review departmental goals and objectives. Additionally, this was the first occasion for departments to explain how they utilize their allocated resources in terms of meeting projected goals and objectives and what additional resources would be needed for new projects not yet funded. At this time, departments also presented fee adjustments and/or requests for additional general fund financing, which included funding requests for those workload and program changes that are not financed within their existing general fund allocations.

## General Fund Budget Process

The County Administrative Office has the responsibility of developing the county financing plan for all general fund departments. This plan begins with reviewing the two restricted financing sources, Proposition 172 and Realignment. Proposition 172 assists in financing the Sheriff, District Attorney, and Probation departments. Realignment assists in financing the general fund departments of Human Services, Behavioral Health, and Public Health for mental health, social services, and health programs. If these financing sources are not sufficient to pay for those departments' costs, then general fund discretionary sources are considered.

For some departments, budgets are also built utilizing revenues generated from fees. On March 24 2009, the Board of Supervisors held a Fee Hearing. The Fee Hearing is designed to take public testimony related to fee changes for the 2009-10 fiscal year. The fees were approved on April 7, 2009. This early approval date allows for any fee changes to be incorporated into the proposed budgets. In addition, the approved fees will become effective with the start of the fiscal year.

Also on April 7, 2009, the Board of Supervisors was presented with the 2009-10 financing plan. The plan includes an analysis of 2009-10 financing which incorporates beginning financial position and adjustments to ongoing discretionary revenue and Prop 172 revenue, as well as estimates of one-time discretionary funding sources. Next, costs for maintaining current services are presented. Due to the current economic conditions, the 2009-10 financing plan was different than most fiscal years because there was no additional financing available to finance the increase in costs to maintain current services and the decline in ongoing revenue projections warranted the implementation of several ongoing mitigations in order to balance the budget. These mitigations included departments absorbing the MOU increases without additional financing, 8% local cost reductions and salary reductions. The proposed financing plan results in the distribution of lesser budget targets for general fund departments for 2009-10.

The 2009-10 Proposed Budget Hearing is scheduled for June 16, 2009. At that time, the County Administrative Office may recommend changes to financing and reserves. Additionally, the departments' requests for additional general fund financing will also be considered.

The 2009-10 Final Budget is scheduled for adoption on June 23, 2009, which may incorporate approved departmental requests for additional general fund financing for policy items, business process improvements, and capital improvement projects. When the budget is adopted, the Board of Supervisors approves any final fund balance adjustment in the general fund to be made to the appropriation for contingencies. No money can be spent from contingencies without obtaining Board of Supervisors approval.





### Other Funds Budget Process

In addition to the general fund, the County of San Bernardino has restricted financing funds, capital project funds, special revenue funds, enterprise funds, and internal service funds. All of these funds are restricted to the revenue sources they receive. Each department having these types of funds is responsible for developing its budget based on the revenue resources available to them. These resources include projected revenue to be collected in 2009-10 and any revenue not spent and carried forward from prior years (for example, fund balance for special revenue funds). These budgets will also be discussed during the Budget Hearing. In addition, when the Board of Supervisors approves the final budget, they will also approve the necessary fund balance adjustments to these funds to agree to the Auditor/Controller-Recorder's actual fund balance.

### Amending the Final Budget

An operating budget is adopted each fiscal year for all Governmental Funds. Expenditures are controlled at the appropriation unit level within budget units for the County. Any increases in appropriation in a budget unit after adoption of the final budget require an item to be placed on the agenda of the Board of Supervisors and a four-fifths vote is necessary for approval.

Transfers of appropriation within the same budget unit may be approved by the County Administrative Office or the Board of Supervisors depending upon the appropriation unit. Exceptions are noted below:

#### Transfer of Salaries and Benefits Appropriation:

- Transfers out funded with local financing are not allowed.
- Transfers out not funded with local financing requires an item to be placed on the agenda of the Board of Supervisors for approval.
- Transfers in from other available appropriation within the budget unit will be required if budgeted salaries and benefits appropriation is inadequate to meet expenditures.

#### Transfer of Fixed Asset Appropriation:

- Transfers out requires an item to be placed on the agenda of the Board of Supervisors for approval.
- Transfers in, less than \$10,000, may be approved by the County Administrative Office.
- Transfers in, greater than \$10,000, requires an item to be placed on the agenda of the Board of Supervisors for approval.





**BUDGET BOOK FORMAT**

Budget units presented in this book are displayed at a fund/department level. Although some departments incorporate additional organizational levels when developing their budgets, the fund/department level of presentation was selected to provide consistency between all budget units. A sample of the departmental budget format is included in this attachment.

**DEPARTMENT**  
**Department Head**

The department name and responsible administrator are listed at the top.

**MISSION STATEMENT**

A clear, concise statement of purpose for the department that focuses on the broad, yet distinct, results the department will achieve.

**ORGANIZATIONAL CHART**

Demonstrates the names of key personnel and departmental structure by function, including budgeted staffing counts.

To determine total budgeted staffing, count the values listed in each box.

**STRATEGIC GOALS**

Strategic goals for which measures can be objectively determined and ultimately linked to performance measures.

PERFORMANCE MEASURES				
Description of Performance Measure	2007-08 Actual	2008-09 Target	2008-09 Estimate	2009-10 Target
Insert Performance Measurement				
Insert Performance Measurement				
Insert Performance Measurement				
Insert Performance Measurement				

The above schedule describes the department's performance goals for the 2009-10 proposed budget year.



## SUMMARY OF BUDGET UNITS

2009-10						
	<u>Appropriation</u>	<u>Revenue</u>	<u>Local Cost</u>	<u>Fund Balance</u>	<u>Revenue Over/ (Under) Exp</u>	<u>Staffing</u>
Name of Budget Unit	-	-	-	-	-	-
Name of Budget Unit	-	-	-	-	-	-
Name of Budget Unit	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

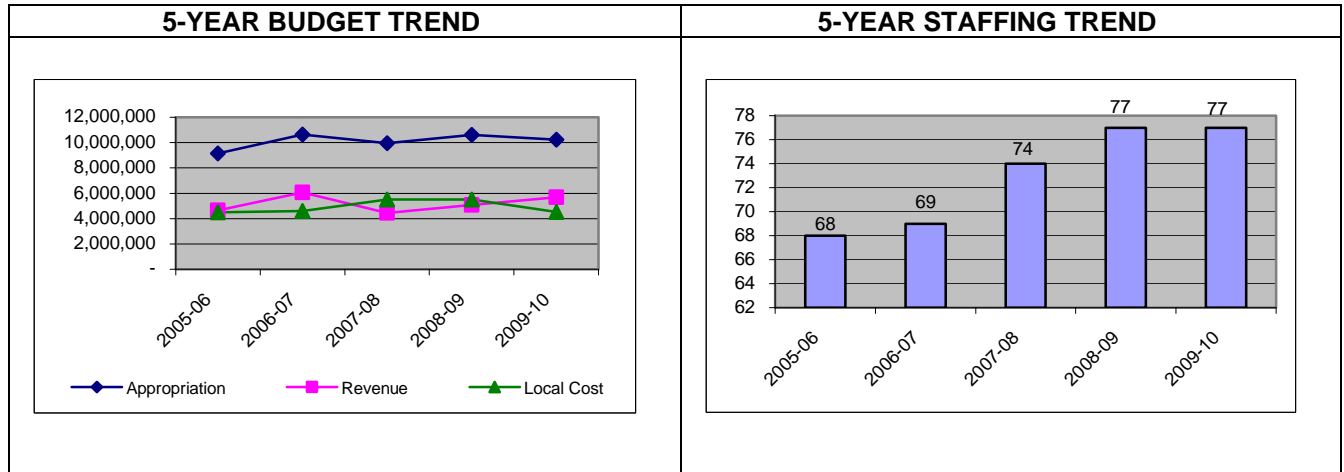
Departments that have multiple budget units will have a summary at the front of their section that lists the individual budget units and amounts for 2009-10 that they are responsible for.



## DESCRIPTION OF MAJOR SERVICES

Description of Major Services provides a narrative describing the function and activity of the budget unit.

## BUDGET HISTORY



These graphs display a visual picture of the department's trends for the current year and prior four years in budgeted local cost or fund balance or revenue over/(under), where applicable, and budgeted staffing.

Beginning in 2009-10, headcount versus FTE is used for budgeted staffing. Prior year values, therefore, were restated for comparative purposes.

## PERFORMANCE HISTORY

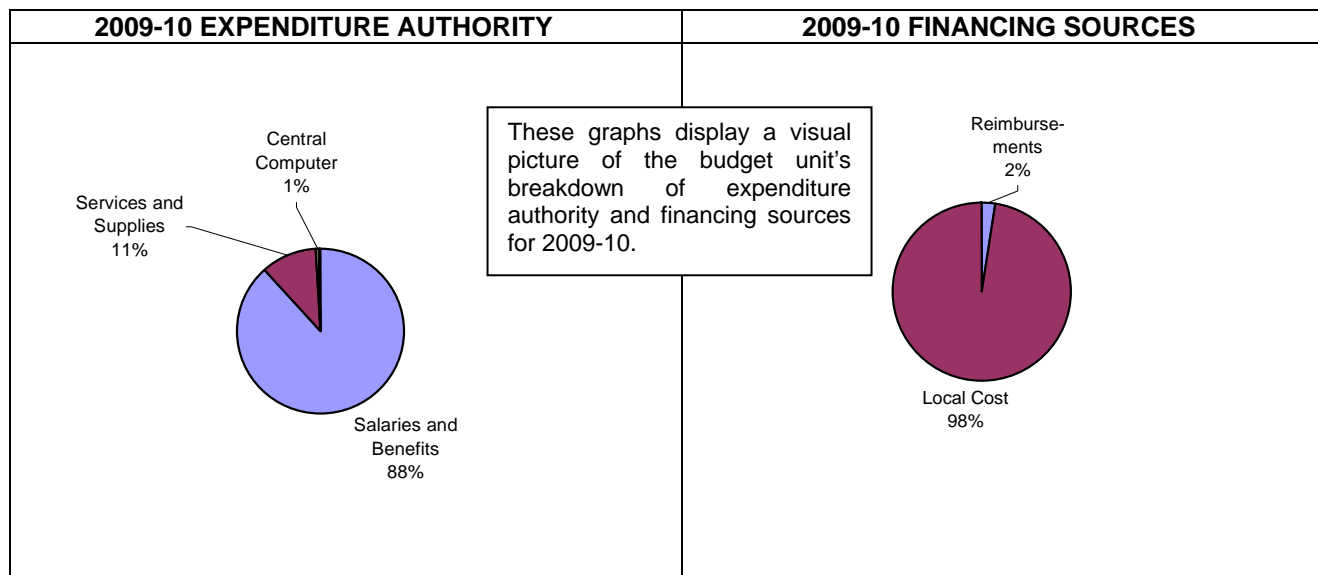
Performance History provides a historical overview of the budget unit, including actual amounts from 2005-06 2006-07, and 2007-08, the 2008-09 modified budget and an estimate for 2008-09.

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Modified Budget	2008-09 Estimate
Appropriation	-	-	-	-	-
Departmental Revenue	-	-	-	-	-
Local Cost	-	-	-	-	-
Budgeted Staffing				-	

For those departments that have significant variances between modified budget and the estimate for 2008-09, there will be an explanation of why this occurred.



## ANALYSIS OF PROPOSED BUDGET



For those departments that have budget reductions as a result of the current economic condition, these impacts are briefly mentioned in a narrative followed by the schedule below.

This schedule was included in the 2009-10 Proposed Budget in order to detail out budget reductions that resulted from the two mitigations measures incorporated into the financing plan that impacted departments directly: the 8% Reduction and the Salary Reduction. Additionally, this schedule will include any budget reductions that were the result of State and Federal Impacts to the budget unit.

### IMPACTS DUE TO BUDGET REDUCTIONS

Brief Description of Budget Impact	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost
2009-10 8% Reduction (Explanation of Reduction, include impacts)	-	-	-	-
Salary Reduction (Explanation of Reduction, include impacts)	-	-	-	-

The header shows which budget unit you are looking at and lists the Function and Activity per state guidelines.

**GROUP:** Administrative/Executive  
**DEPARTMENT:** -  
**FUND:** -

**BUDGET UNIT:** -  
**FUNCTION:** -  
**ACTIVITY:** -

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Estimate	2008-09 Final Budget	2009-10 Proposed Budget	Change From 2008-09 Final Budget
<b><u>Appropriation</u></b>							
Salaries and Benefits	-	-	-	-	-	-	-
Services and Supplies	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-
Contingencies	-	-	-	-	-	-	-
Total Exp Authority	-	-	-	-	-	-	-
Reimbursements	-	-	-	-	-	-	-
Total Appropriation	-	-	-	-	-	-	-
Operating Transfers Out	-	-	-	-	-	-	-
Total Requirements	-	-	-	-	-	-	-
<b><u>Departmental Revenue</u></b>							
Taxes	-	-	-	-	-	-	-
Other Revenue	-	-	-	-	-	-	-
Other Financing Sources	-	-	-	-	-	-	-
Total Revenue	-	-	-	-	-	-	-
Operating Transfers In	-	-	-	-	-	-	-
Total Financing Sources	-	-	-	-	-	-	-
Local Cost	-	-	-	-	-	-	-
Budgeted Staffing	-	-	-	-	-	-	-

This section provides a history of actual expenditures incurred by budget line item and the comparison of budget line item from prior year final budget to the current year proposed budget.

The narrative section that follows the analysis schedule briefly explains the 2009-10 proposed budget by appropriation unit or line item, including significant changes from the prior year budget.

ADDITIONAL GENERAL FUND FINANCING REQUESTS						
Rank	Brief Description of Request	Budgeted Staffing	Appropriation	Departmental Revenue	Local Cost	Proposed 2009-10 Performance Measurement
	Additional GF Financing Request (explanation of request, include impacts).	-				This schedule ranks and lists the department's requests for additional general fund financing, including policy items, capital improvement projects, and business process improvement, which are currently not included in their proposed budget submittal.
	Proposed Performance Measure					
	Additional GF Financing Request (explanation of request, include impacts).	-				
	Proposed Performance Measure					



